

CITY COUNCIL MEETING
APRIL 19, 1989

PROPOSED CLAIMS
PROCEDURE FOR CITY
OF LODI PROJECTS
APPROVED

CC-6
CC-12(a)
CC-12.1(c)

The City Council approved the proposed claims procedure for City of Lodi projects and directed that it **be** used in all specifications *for* City of Lodi projects.

The Department of Transportation which administers the FAU funds has required local agencies to have their own contractors' claim procedure. The reason that Caltrans requires this is that if local agencies do not have a contractors' claim procedure, they would **be** required to follow the standard specifications of the Department of Transportation which allow all claims to go to arbitration.

The City's existing claims statement in the specifications *is* very brief and does not spell out the procedure for settlement of claims. This new policy does. The proposed claim procedure has been submitted to Caltrans **and** has been approved.